

METROPOLITAN DEVELOPMENT COMMITTEE

DATE: March 14, 2005

CALLED TO ORDER: 5:33 p.m.

ADJOURNED: 6:03 p.m.

ATTENDANCE

Attending Members

Dane Mahern, Chairman
Scott Keller
Becky Langsford
Angela Mansfield
Marilyn Pfisterer
Mike Speedy
Steve Talley

Absent Members

Ron Gibson
Jackie Nytes

AGENDA

PROPOSAL NO. 47, 2005 - transfers territory from the Consolidated City of Indianapolis to the City of Beech Grove
“Do Pass”

Vote: 7-0

PROPOSAL NO. 70, 2005 - approves a transfer and an increase of \$3,495,300 in the 2005 Budget of the Department of Metropolitan Development, Community Development Division (Redevelopment General and Federal Grants Funds) to fund housing development costs, acquisitions of the properties at Fall Creek Place, direct homeownership assistance, and to acquire and rehabilitate homes to be sold to low-moderate income homeowners, financed by federal grant program revenues, Community Development Block Grant funding, the Home Investment Partnership Program (HOME) grant, and a transfer between characters
“Do Pass”

Vote: 7-0

METROPOLITAN DEVELOPMENT COMMITTEE

The Metropolitan Development Committee of the City-County Council met on Monday, March 14, 2005. Chairman Dane Mahern called the meeting to order at 5:33 p.m. with the following members present: Scott Keller, Becky Langsford, Angela Mansfield, Marilyn Pfisterer, Mike Speedy, and Steve Talley. Absent were Ron Gibson and Jackie Nytes. Also present was Susie Day.

PROPOSAL NO. 47, 2005 - transfers territory from the Consolidated City of Indianapolis to the City of Beech Grove

Maury Plambeck, Director of the Department of Metropolitan Development (DMD), said an annexation in Marion County is not something that occurs very often, but it has been done before. He directed the committee members to an amendment to Proposal No. 47, 2005 (Exhibit A, on file in the Council office). The proposed property is located between Bethel Ave and Emerson Avenue and is surrounded by Beech Grove on three sides. When the property owner purchased the property he thought it was all in Beech Grove but during the purchasing process found out otherwise. Mr. Plambeck said the owner purchased the property and had a portion of the property rezoned in Beech Grove for the purpose of his auto repair shop on Troy Avenue. The proposed site was a former landfill and the idea is to reuse the land for a park. The City of Beech Grove will want to make sure the land is environmentally safe before they take the proposed property. Mr. Plambeck said several steps have to be taken before the transfer of property occurs. He said the City-County Council and Beech Grove City Council have to give approval, and Beech Grove has to have adequate time to analyze the site. He said if Beech Grove decides not to use this property as a park then the property will not change from Indianapolis to Beech Grove.

Councillor Speedy asked if the former landfill site would be considered a brown field development site. Mr. Plambeck responded in the affirmative. Councillor Speedy asked if the City of Indianapolis will be able to assist the City of Beech Grove in any way in developing the park. Mr. Plambeck said that the City of Indianapolis will give assistance. Councillor Speedy asked if precautions would be taken to make sure the general public would not be harmed by the former content. Mr. Plambeck said every phase of environmental review will be done to make sure the land is safe, and Beech Grove will make sure this is done before they take the property.

Councillor Pfisterer asked if the language in Exhibit A also applies to the auto repair shop. Mr. Plambeck said the business owners already own the property; therefore, the language in Exhibit A does not apply.

Councillor Mansfield asked if all the interested parties are in agreement. Mr. Plambeck replied in the affirmative.

J. Warner Wiley, Mayor of Beech Grove, said he believes this project will be of benefit to both the City of Indianapolis and Beech Grove. He said he ensured Mayor Bart Peterson that the intent of Beech Grove was consistent with the petitioner.

Councillor Day said this is a good deal for both cities and hopes the committee will pass this proposal to the full Council.

Councillor Talley moved, seconded by Councillor Pfisterer, to amend Proposal No. 47, 2005 per Exhibit A. The motion carried by a vote of 7-0.

Councillor Pfisterer moved, seconded by Councillor Talley, to send Proposal No. 47, 2005 to the full Council with a "Do Pass as Amended" recommendation. The motion carried by a vote of 7-0.

PROPOSAL NO. 70, 2005 - approves a transfer and an increase of \$3,495,300 in the 2005 Budget of the Department of Metropolitan Development, Community Development Division (Redevelopment General and Federal Grants Funds) to fund housing development costs, acquisitions of the properties at Fall Creek Place, direct homeownership assistance, and to acquire and rehabilitate homes to be sold to low-moderate income homeowners, financed by federal grant program revenues, Community Development Block Grant funding, the Home Investment Partnership Program (HOME) grant, and a transfer between characters

Julie Slaughter, Administrator of the Division of Community Development, said that on occasion the division has federal grant fund money that comes back after it tallies up all the dollars spent and the grant funds promised to different organizations and developers. She said the federal government allows the division to keep the money to put it towards other housing development projects. Ms. Slaughter gave the following breakdown of the \$3,495,300 the division is asking to be appropriated:

- \$1.6 million of Community Development Block Grant dollars are to go towards a new project in the Martindale-Brightwood area.
- \$400,000 from program income from the land sold at Fall Creek Place will go towards more developments and home land repair.
- \$600,000 from the Home Investment Partnership Program (HOME) will go towards private developers to rehabilitate 18 homes that would then be required to be sold to low to moderate income families and individuals.
- \$855,000 from American Dream Down payment Initiative (ADDI) will go towards affordable housing to give citizens the opportunity to live in a mixed income neighborhood.

Ms. Slaughter said that the transfer the division is requesting is from Fall Creek Place,

which is a hold Tax Increment Financing (T.I.F), and the division has an allocation from the hold T.I.F. of \$40,000. She said the \$40,000 is currently in Character 03 and the division is asking for the \$40,000 to be moved to Character 04. The \$40,000 will go to pay property owners of eminent domain cases.

Chair Mahern asked for explanation on Character 03 and 04. Jennie Fults, Assistant Administrator of Division of Community Development, said Character 04 is where the division budgets for land acquisition, improvement purchases, and capital. She said Character 03 is where the division budgets for telephone services, all of the general grant funds with third party entity, etc.

Councillor Speedy asked who qualifies for low and moderate income housing. Ms. Slaughter said there are income guidelines that the division receives from Housing and Urban Development (HUD). She said the division assists those who are at 80% and below the area median income, which is \$64,000 for a family of four. Councillor Speedy asked if the City does the certification process. Ms. Slaughter said the certification process is handled by the grantees but the City monitors the process. Councillor Speedy asked how many lots are represented in the \$400,000 of proceeds from land sales. Ms. Slaughter said it varies because the lots vary in price. She said the average price is \$8,000 to \$12,000 a lot.

Ms. Fults clarified that the \$400,000 was generated by property sold in Fall Creek Place, and the division intends to invest the \$400,000 in other areas of the county to promote home ownership for low to moderate income individuals.

Councillor Keller asked if the \$3,495,300 is an increase in local property tax. Ms. Slaughter replied in the negative and said the money is grant dollars.

Councillor Pfisterer asked if there will be more acquisitions in Fall Creek Place. Ms. Slaughter said the only thing that is going towards Fall Creek Place is the \$40,000 of hold T.I.F. money that the division would like to use to pay off some of the eminent domain. She said the eminent domain is the property the division has already acquired but there was a dispute over the final amount. Mr. Plambeck clarified that there is only one eminent domain case.

Councillor Talley asked that all committee members be given detailed information on the Fall Creek Place project. Ms. Slaughter agreed to give information to committee members.

Bart Brown, Chief Financial Officer (CFO) for the City County Council, asked which hold T.I. F. the \$40,000 is coming from. Ms. Slaughter said Fall Creek Place has a hold T.I.F. Mr. Brown asked if there is a shift in policy that the hold T.I.F.s are no longer going towards paying off any of the bonds. Galen Himmelheber, CFO for DMD, said some of the bonds were pledged against the Community Development Block Grant (CDBG) dollars. Mr. Brown said the whole idea was as T.I.F. came in it would replace

the CDBG money to allow that money to be put back into other areas of the community, instead of Fall Creek Place. Mr. Himmelheber said he was not aware of this and is not sure of how to answer Mr. Brown's question. Mr. Brown asked for information to be provided to the Councillors on how the bonds are being paid back. Mr. Brown asked what the \$40,000 represents that the division is no longer going to use in Character 04. Ms. Slaughter said some of the services that the division was going to obtain they are cutting back on.

Councillor Pfisterer moved, seconded by Councillor Keller, to send Proposal No. 70, 2005 to the full Council with a "Do Pass" recommendation. The motion carried by a vote of 7-0.

CONCLUSION

With no further business pending, and upon motion duly made, the Metropolitan Development Committee of the City-County Council was adjourned at 6:03 p.m.

Respectfully submitted,

Dane Mahern, Chairman
Metropolitan Development Committee

DM/as

Metropolitan Development Committee

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